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FILED
Clerk
District Court

MAR 09 2016

for the Northern Mariana Islands
By _____
(Deputy Clerk)

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN MARIANA ISLANDS

IN THE MATTER OF:

CIVIL ACTION NO. _____

JESUS T. LIZAMA,
VICTORIA L.G. LIZAMA, and
J & JEV ENTERPRISES, INC.

Plaintiffs,

vs.

ANZ GUAM, INC. fka CITIZENS
SECURITY BANK (GUAM), INC.,
And Does I to 5,

Defendants.

COMPLAINT

Plaintiffs, through counsel allege as follows:

JURISDICTION

1. This court, the U.S. District Court for the Northern Mariana Islands, has original jurisdiction over all civil matters arising under the constitution, laws, or treaties of the United States Pursuant to 28 USC 1331 and as provided in Section 402(a) of the Covenant which provides that the U.S. District Court for the Northern Mariana Islands shares the

1 same jurisdiction as United States District Courts. The CNMI District Court is not an
2 Article III court but was granted power by Congress under Article IV of the U.S.
3 Constitution.
4

5 **PARTIES**

6 2. Plaintiff, Jesus T. Lizama (hereinafter, "Jesus"), is a U.S. citizen, presently a resident of
7 Guam, and a person of Northern Marianas descent (hereinafter, "NMD"), as defined under
8 the CNMI Constitution.
9

10 3. Plaintiff, Victoria LG. Lizama (hereinafter, "Victoria"), is the spouse of Jesus, a U.S.
11 citizen, a resident of Guam, and at all times mentioned in this Complaint, is a party to All
12 Causes of Action herein alleged.

13 4. Plaintiff, J & JEV Enterprises, Inc. (hereinafter, "J & JEV") is a registered corporation in
14 the CNMI, doing business as the "Victoria Hotel", inter alia, in the CNMI.
15

16 5. Jesus, Victoria and J & JEV, collectively, are herein referred to as "Plaintiffs".

17 6. Plaintiffs reserve to add additional parties as this case develops and the facts reveal through
18 further discovery the need to add indispensable parties.

19 7. Defendant, ANZ, (hereinafter, "ANZ") is a bank doing business in Guam; it is formerly
20 known as Citizens Security Bank (hereinafter, "CSB").
21

22 8. Upon information and belief, ANZ as a Guam registered bank engaged in lending money
23 to Guam residents who are persons of NMD like Jesus, and to CNMI residents who may
24 or may not be a NMD. Like with Jesus, ANZ would mortgage the leasehold or the fee
25 simple ownership of borrowers whose real properties are in the CNMI.
26
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- 1 9. Upon information and belief, the practice of mortgaging borrowers' real property interests
2 situated in the CNMI started in on or about 1997 and one of those first borrowers were the
3 Plaintiffs.
4
- 5 10. Upon information and belief, ANZ appeared to have stopped lending and mortgaging
6 CNMI real properties right after the start of the foreclosure proceedings on Plaintiffs'
7 properties.
8
- 9 11. In 2000, ANZ filed a complaint to foreclose Plaintiffs' real properties.
10
- 11 12. ANZ averred in its complaint for foreclosure that it was a duly licensed bank in the
12 CNMI.
13
- 14 13. Upon information and belief, ANZ and its predecessor, CSB, never obtained a full
15 service banking license in the CNMI; when it executed the mortgage, and when it sought
16 to foreclose Jesus' properties, in 2000, ANZ knew that it was not a duly licensed full
17 service bank in the CNMI.
- 18 14. Plaintiffs allege that only full service operating banks in the CNMI could mortgage and
19 foreclose fee simple interest in lands situated in the CNMI as provided under the
20 exception to Article XII, Section 2, of the CNMI Constitution.
- 21 15. ANZ mortgaged and pursued foreclosure proceedings in the courts of the CNMI with no
22 legal status to operate like other full service banks qualified to hold fee simple title in
23 CNMI real properties as provided by law.
- 24 16. Plaintiffs allege that the United States Department of Agriculture ("USDA") is an
25 Administrative Agency of the United States ("U.S.") Federal Government and is the
26 Guarantor of the ANZ mortgage agreement with Plaintiffs to the extent of the seventy
27 percent (70%) of the loan.
28

1 17. Defendants Does 1 to 5 may be added to this Complaint as Defendants as they become
2 identified by the facts, as discovery develops; Plaintiffs reserve the right to amend this
3 Complaint to reflect newly discovered facts and causes of actions against the Does 1 to 5
4 defendants.
5

6 **FACTS**

7 18. Plaintiffs reallege paragraphs 1 to 17, as if fully set forth.

8 19. On or about January 10, 1997, Plaintiffs executed the Loan Agreement with CSB (later
9 acquired by ANZ), together with the mortgage associated with the loan guarantee
10 agreement with USDA. Used as collaterals were the CNMI real properties owned by
11 Plaintiffs, more particularly described as Lot 001 D 13, Lot 001 D 14, and Tract 21732-
12 9, all of which are situated on the island of Saipan.
13

14 20. At all times herein mentioned, Victoria owns one-half in the entire causes of actions in
15 this Complaint pursuant to the CNMI Marital Property Act of 1990.
16

17 21. The Loan Agreement was for a sum total of \$1.8 million.

18 22. Plaintiffs made payments, even to such extent as making overpayments on the overdue
19 amount to avoid defaulting entirely on the loan.
20

21 23. Plaintiffs continued to make payments based on Jesus' ability to pay until he was unable
22 to meet ANZ's demands.

23 24. Plaintiffs allege that ANZ's demands were unreasonable, excessively coercive and
24 fraudulent.
25

26 25. On information and belief, after Plaintiffs were defaulted on the loan, USDA, as
27 Guarantor, paid ANZ its seventy percent (70%) guaranteed obligation.
28

1 26. Notwithstanding the payment by USDA, ANZ continued to force Plaintiffs to pay the
2 entire debt as if USDA's payment never happened.

3 27. No disclosure of the USDA payment to Plaintiffs was ever made by ANZ; no disclosure
4 of the payment to Plaintiffs was ever made likewise by USDA.
5

6 **FIRST CAUSE OF ACTION:**

7 **Violation of Commonwealth Consumer Protection Act, 4 CMC Section 5101**

8 28. Plaintiffs reallege paragraphs 1 through 27, as if fully set forth.

9 29. The Commonwealth Consumer Protection Act, 4 CMC § 5101, specifically confers a
10 private right of action to consumers who have suffered from deceptive and unfair acts.
11

12 30. ANZ's representation to the Commonwealth Superior Court that it is a duly licensed
13 bank in the Commonwealth to serve Plaintiffs' loan mortgage and to be able to
14 foreclosure Plaintiffs' real properties situated in the CNMI was knowingly deceptive,
15 unfair, and unequivocally fraudulent; it represented that it was a duly licensed and
16 registered full service bank, when it was not, to qualify to foreclose fee simple title of
17 CNMI situated real properties as provided by the CNMI Constitution.
18

19 31. At the time of the initial mortgage and promissory note, Plaintiffs did not know that ANZ
20 was not a full service bank duly licensed to operate in the CNMI.
21

22 32. At the time of the initial mortgage and promissory note, ANZ could have registered in
23 the CNMI as a full service bank to be able to avail itself of operating as a bank qualified
24 to mortgage and foreclose real properties in the CNMI under the exception provision of
25 the CNMI Constitution, Article XII, Section (2); it never did.
26

27 33. Upon information and belief, at the time that ANZ pursued the foreclosure action, ANZ
28 remained as a bank with no full service license to be able to mortgage and foreclose fee

1 simple title in real properties situated in the CNMI; it operated in the CNMI without a
2 license for years but maintaining that it had the legal capacity to own CNMI real
3 properties in fee simple title.
4

5 34. At the time of the foreclosure, ANZ was already paid by USDA the guaranteed seventy
6 percent (70%) of the Plaintiffs' debt. At the time of the foreclosure, ANZ did not
7 disclose to the court nor to the Plaintiffs that ANZ had been paid by USDA the
8 guaranteed amount.
9

10 35. ANZ's actions and conducts, together with the actions and conduct of Does 1 to 5, in
11 misrepresenting to the CNMI courts of its status as a bank in the CNMI and in failing to
12 inform Plaintiffs of USDA's full payment of the guaranteed amount, at first blush,
13 amount to a serious consumer violations to Plaintiffs' damage of \$1.9 million, which is
14 the amount of the foreclosure judgment, with nine percent (9%) interest plus other
15 damages to Plaintiffs.
16

17 36. Due to the gross conducts and intentional conducts of ANZ and of the Does 1 to 5,
18 Plaintiffs are entitled to punitive damage to deter banks such as ANZ to committing the
19 same consumer protection violations, seven (7) times the actual damage of Plaintiffs
20 herein stated in this First Cause of Action.
21

22 **SECOND CAUSE OF ACTION:**

23 **Commonwealth Debt Collection Act 4 CMC § 51302**

24 **Wrongful Foreclosure**

25 37. Plaintiffs reallege and incorporate by reference paragraphs 1 to 36, as if fully set forth.
26
27
28

1 38. At all times herein mentioned, ANZ knew that Plaintiffs' hotel was leased to a tenant.
2 Plaintiff's remedy was to collect from the tenant's rental and to seek additional payment
3 from Plaintiffs to cover Plaintiffs' monthly obligation.
4

5 39. ANZ asserted that it had right to foreclosure Plaintiffs real properties; ANZ's assertion
6 was wrongful, deceitful, malicious and fraudulent; from the outset ANZ lacked the legal
7 status to foreclose real properties in the CNMI under the exception provision to Article
8 XII Section 2 of the CNMI Constitution.
9

10 40. As the Commonwealth has set forth unlawful debt collection acts in 4 CMC § 51302,
11 ANZ by its acts and by the acts of Does 1 to 5, in filing an unlawful foreclosure action in
12 the Commonwealth court predicated upon "having a CNMI banking license", engaged
13 in unlawful collection practice in the CNMI.
14

15 41. The actions of ANZ and Does 1 to 5, entitle the Plaintiffs to actual damage of \$1.9
16 Million, which is the amount of the foreclosure judgment and the nine percent (9%)
17 interest plus other damages as a result of ANZ's actions, in concert with Does 1 to 5.

18 42. Due to the gross and intentional conducts of ANZ and the Does 1 to 5, Plaintiffs are
19 entitled to punitive damage seven (7) times the actual damage as herein stated in this
20 Second Cause of Action.
21

22 **THIRD CAUSE OF ACTION:**

23 **Negligent Misrepresentation**

24 43. Plaintiffs reallege and incorporate paragraphs 1 to 42, as if fully set forth.

25 44. Plaintiffs allege that ANZ was without authority to foreclose the fee interest in the three
26 lots situated in the CNMI owned by Plaintiffs because of its questionable legal status as
27 a bank in the CNMI
28

- 1 45. Prior to foreclosure proceedings, ANZ through its counsel made representations to
2 Plaintiffs that they were in default of their loan and therefore will be initiating
3 foreclosure proceedings against the three CNMI real properties.
4
- 5 46. The foreclosure proceedings which started in year 2000 cannot be legally initiated by
6 ANZ in light of the restriction imposed by the CNMI Constitution, Article XII, Section
7 2.
8
- 9 47. Plaintiffs allege that ANZ and Does 1 to 5, did not exercise reasonable due care in
10 pursuing the proper collection method for Plaintiffs to pay their debt.
11
- 12 48. Despite the serious legal question involving ANZ's status as an operating bank in the
13 CNMI, ANZ and Does 1 to 5 have excessively coerced Plaintiffs for payments and have
14 continued to threaten Plaintiffs with a possible foreclosure of their real properties in the
15 CNMI rather than pursuing for a remedy that fits its status as an unregistered (full
16 service operating) bank.
17
- 18 49. Plaintiffs allege that ANZ has been paid the seventy percent (70%) of the debt from
19 USDA after Plaintiffs defaulted and despite the payment made by USDA, ANZ
20 continued to coerce Plaintiffs for more payments and furthering a misrepresentation to
21 the CNMI courts and to the Plaintiffs that its legal remedy to collect extent with the
22 capacity to sell or purchase Plaintiffs' real properties.
23
- 24 50. ANZ's continued coercion for more payments, without fully addressing its legal status as
25 a mortgagee to the Plaintiffs loan amounts to negligent misrepresentation and as such
26 have caused damage to Plaintiffs, the amount of the foreclosure judgment with interest
27 at nine (9) percent, plus other damages for loss of business, and personal injury to Jesus,
28 which amount Plaintiffs will prove at trial.

1 51. Due to the gross negligent and intentional conducts of ANZ and Does 1 to 5, Plaintiffs
2 are entitled to punitive damage in the amount seven (7) times the actual damage as
3 herein stated in this Third Cause of Action.
4

5 **FOURTH CAUSE OF ACTION:**

6 **Intentional Misrepresentation**

7 52. Plaintiffs reallege and incorporate paragraphs 1 to 51, as if fully set forth.

8 53. Plaintiffs allege that ANZ knew or should have known it had no authority to foreclose
9 the fee interest in the three lots situated in the CNMI owned by Plaintiffs because of its
10 questionable legal status as a bank in the CNMI
11

12 54. Prior to foreclosure proceedings, ANZ through its counsel made intentional
13 representations to Plaintiffs that they were in default of their loan and therefore will be
14 initiating foreclosure proceedings against the three CNMI real properties.
15

16 55. The foreclosure proceedings which started in year 2000 cannot be legally initiated by
17 ANZ in light of the restriction imposed by the CNMI Constitution, Article XII, Section
18 2.
19

20 56. Plaintiffs allege that ANZ and Does 1 to 5 knowingly and intentionally, did not exercise
21 reasonable due care in pursuing the proper collection method for Plaintiffs to pay their
22 debt.

23 57. Despite the serious legal question involving ANZ's status as an operating bank in the
24 CNMI, ANZ and Does 1 to 5 knowingly and intentionally have excessively coerced
25 Plaintiffs for payments and have continued to threaten Plaintiffs with a possible
26 foreclosure of their real properties in the CNMI rather than pursuing for a remedy that
27 fits its status as an unregistered (full service operating) bank.
28

1 58. Plaintiffs allege that ANZ has been paid the seventy percent (70%) of the debt from
2 USDA after Plaintiffs defaulted and despite the payment made by USDA, ANZ
3 knowingly and intentionally continued to coerce Plaintiffs for more payments and
4 furthering its intentional misrepresentation to the CNMI courts and to the Plaintiffs that
5 its legal remedy to collect extent with the capacity to sell or purchase Plaintiffs' real
6 properties.
7

8 59. On information and belief, the failure of ANZ Bank to notify Plaintiffs that it was paid
9 the 70% of the guarantee from USDA and ANZ continued pressure on Plaintiffs to pay
10 the full amount of the debt amount to intentional misrepresentation.
11

12 60. ANZ's continued intentional coercion for more payments, without fully addressing its
13 legal status as a mortgagee to the Plaintiffs loan amounts to intentional
14 misrepresentation and as such have caused damage to Plaintiffs, the amount of the
15 foreclosure judgment with interest at nine (9) percent, plus other damages for loss of
16 business, and personal injury to Jesus, which amount Plaintiffs will prove at trial.
17

18 61. Due to the willful and intentional conducts of ANZ and Does 1 to 5, Plaintiffs are
19 entitled to punitive damage in the amount seven (7) times the actual damage as herein
20 stated in this Fourth Cause of Action.
21

22 **FIFTH CAUSE OF ACTION**

23 **Breach of Contract**

24 62. Plaintiffs reallege and incorporate herein by reference paragraphs 1 to 61, as if fully set
25 forth.
26
27
28

- 1 63. The Loan Agreement and the Guarantor Service Agreement between all parties imposed
2 a duty of good faith and fair dealings according to the terms of the mortgage and loan
3 agreement.
4
- 5 64. The duty of good faith and fair dealings imposed a duty of commercial reasonableness
6 and honesty on the part of ANZ and Does 1 to 5, especially in their dealings with
7 Plaintiffs; and especially as ANZ's legal status may allow them to act.
8
- 9 65. The actions of ANZ and Does 1 to 5, especially in going through the loan, mortgage,
10 default, and foreclosure proceedings, and in their pursuit to foreclose real properties in
11 the CNMI under a questionable legal status, failing to notify Plaintiffs of the payment by
12 the Guarantor (USDA), failing to counsel Plaintiffs of their options other than
13 foreclosure, fraudulently misrepresenting and coercively taking actions to collecting the
14 Plaintiffs' debt, all together, violate ANZ's duty of good faith and fair dealings and
15 breach to Plaintiffs rights under the loan agreement.
16
- 17 66. As a result of ANZ's breach of duty of good faith and fair dealings to Plaintiffs, Plaintiffs
18 have been damaged in the amount of the foreclosure judgment, losses to the Plaintiffs'
19 business, and the personal injury to Jesus as a result of the physical stroke that ultimately
20 caused physical disability, Plaintiffs will prove at trial.
21
- 22 67. Furthermore, Plaintiffs are entitled to punitive damage as a result of the gross negligence
23 and intentional conducts of ANZ and Does 1 to 5 in their dealings with Plaintiffs;
24 Plaintiffs seek punitive damage in the amount seven (7) times the amount of the actual
25 damage Plaintiffs suffered as stated in this Fifth Cause of Action.
26

27 **SIXTH CAUSE OF ACTION:**

28 **Constructive Fraud**

1 68. Plaintiffs reallege and incorporate herein by reference paragraphs 1 to 67, and as if fully
2 set forth.

3 69. ANZ, as lender, and USDA, as Guarantor, on the basis of their joint venture relationship
4 to collect from Plaintiffs, owes a duty of good faith and fair dealings to Plaintiffs.
5

6 70. ANZ, and in concert with Does 1 to 5, jointly concealed to the CNMI courts and to
7 Plaintiffs ANZ's legal status as an operating bank in the CNMI.

8 71. ANZ owes a duty to Plaintiffs to be forthright in disclosing to Plaintiffs, and to the
9 CNMI courts the legal remedy it acquired when it entered into a loan agreement with
10 Plaintiffs.
11

12 72. Plaintiffs relied on ANZ's representation that it had the capacity to collect without
13 hindrance the unpaid debt upon default inclusive of foreclosure and taking Plaintiffs real
14 properties in the CNMI; on the contrary, ANZ, fraudulently misrepresented to Plaintiffs
15 and to the CNMI courts that it could enter into a loan and mortgage agreement and to
16 have the capacity to foreclose CNMI real properties.
17

18 73. ANZ also concealed to Plaintiffs and to the CNMI courts USDA's payment of the
19 guaranteed amount of the loan.
20

21 74. Plaintiffs allege that ANZ intentionally failed to notify Plaintiffs of the payment made
22 by USDA to gain an unfair advantage over Plaintiffs and with the intent to continue to
23 coerce Plaintiffs to pay the debt beyond Plaintiffs' ability.

24 75. The concealments by ANZ and Does 1 to 5 of USDA's payment and the ANZ's status as
25 a bank in the CNMI, at first blush, is fraudulent, to Plaintiffs' damage, in the amount of
26 which, is the foreclosure judgment with interest at nine percent (9%) per annum, and to
27
28

1 such damages to Plaintiffs' business and the personal injury to Jesus, which Plaintiffs
2 will prove at trial.

3 76. Due to the gross negligence, intentional, and fraudulent actions and conducts of ANZ,
4 Plaintiffs are entitled to punitive damage in the amount of seven (7) times the actual
5 damage as herein stated in this Sixth Cause of Action.
6

7 **SEVENTH CAUSE OF ACTION:**

8 **Federal Racketeer Influenced and Corrupt Organization Act. (RICO)**

9 77. Plaintiffs reallege and incorporate herein by reference paragraphs 1 to 76, as if fully set
10 forth.
11

12 78. Plaintiffs allege that ANZ as a Guam bank was doing banking business in the CNMI and
13 it engaged in interstate commerce when it mortgaged and agreed to collateral Plaintiffs
14 real properties with USDA as the Guarantor.
15

16 79. Plaintiffs allege that ANZ as a Guam bank continued to do business in the CNMI when
17 it filed foreclosure proceedings involving Plaintiffs real properties in the CNMI.

18 80. USDA, as a Federal Government Agency, is as engaged in interstate commerce activity
19 when it agreed to act as Guarantor to Plaintiffs' loan, and further, when it agreed to join
20 venture with ANZ to act in concert with ANZ's interstate commerce activities to collect
21 debt in the CNMI.
22

23 81. ANZ acted in concert with Does 1 to 5 in concealing and misrepresenting to Plaintiffs
24 and to the CNMI courts ANZ's questionable legal status in the CNMI.

25 82. ANZ acted in concert with Does 1 to 5 in concealing and misrepresenting to Plaintiffs
26 and to the CNMI courts USDA's payment of the guaranteed amount of the loan.
27
28

1 83. ANZ's actions, in concert with Does 1 to 5, showed a pattern of racketeering which has
2 clearly harmed Plaintiffs and Plaintiff's business in violation of the RICO Federal Law.

3 84. ANZ's pattern of racketeering involves negligent misrepresentation and intentional
4 misrepresentation as to its legal status as full service bank here in the CNMI, failure to
5 notify Plaintiff that it was paid the 70% of the guarantor agreement with USDA,
6 continues coercion of Plaintiff over many years to pay the full amount of the debt to the
7 point of causing physical stroke and physical disability to Plaintiff, failure to counsel
8 Plaintiff as to reasonable alternatives in paying his mortgage rather than foreclosure, and
9 continues pattern of harassment over many years to Plaintiff and his business to the
10 point of closing Plaintiff's business. All of these taken together constitute a pattern of
11 racketeering in violation of RICO Federal Law.

12 85. The actions of ANZ acting with Does 1 to 5 to engage in unlawful and improper
13 foreclosure proceedings in interstate commerce constituted a violation of the Federal
14 Racketeer Influenced and Corrupt Organization Act, also known as RICO, to Plaintiffs'
15 damages in total as hereinabove alleged.

16 86. ANZ's actions acting with Does 1 to 5, and the resulting damages to Plaintiffs under the
17 RICO statute entitle Plaintiffs to treble damage which is three (3) times the amount of
18 Plaintiffs' damages in total as hereinabove alleged.

19 **EIGHTH CAUSE OF ACTION:**

20 **Tortuous Interference with Contractual Relations**

21 87. Plaintiffs reallege and incorporate herein by reference paragraphs 1 to 86, as if fully set
22 forth.

1 88. On information and belief, Plaintiffs allege that the actions of ANZ in interfering with
2 Plaintiffs' business took place at the time when Plaintiffs were in default on the loan
3 coupled with the continuous threat of furthering foreclosure legal proceedings.
4

5 89. Plaintiffs allege that ANZ tortuously interfered in Plaintiffs' contractual relationships
6 with their tenants by placing fear on the tenants for their removals under the threat of
7 foreclosure of the premises by ANZ.

8 90. On information and belief, Plaintiffs allege that ANZ and Does 1 to 5, on several
9 occasions, acted as if they already have acquired some full control of Plaintiffs' hotel
10 assets and business; ANZ on several occasions have directed third party appraisers to
11 appraise the hotel assets and the Papago property without Plaintiffs knowledge and
12 consent and either going through Plaintiffs' tenants or to none at all.
13

14 91. Plaintiffs allege that the interference of ANZ and Does 1 to 5 in prolonging the
15 foreclosure proceedings has affected Plaintiffs' contractual relations with tenants and
16 subtenants resulting in losses not only to Plaintiffs' business but also to tenants' and
17 subtenants' establishments.
18

19 92. As a result of ANZ's actions and conducts, in concert with Does 1 to 5, Plaintiffs have
20 suffered actual damage in the amount of the foreclosure judgement plus interest thereon,
21 further damages to the business, and personal injury to Jesus, which amount will be
22 proven at trial.
23

24 93. The gross and intentional conducts of ANZ, together with Does 1 to 5, entitle Plaintiffs
25 to punitive damage seven (7) times the amount of Plaintiffs' actual damages as herein
26 stated in this Eighth Cause of Action.
27

28 **NINTH CAUSE OF ACTION:**

Interference with Prospective Contractual Relations:

94. Plaintiffs reallege and incorporate herein by reference paragraphs 1 to 93 as if fully set forth.

95. Plaintiffs allege that the ANZ, together with Does 1 to 5, interfered with Plaintiffs' business by the prolonged threat and wrongful foreclosure proceedings.

96. ANZ's actions and conducts, together with Does 1 to 5, proximately caused damages to Plaintiffs, the amount of foreclosure judgment with interest to present, further damages the Plaintiffs' business, and personal injury to Jesus, which amount will be proven at trial.

97. On information and belief, Plaintiffs allege that the willful and gross conducts of ANZ entitle Plaintiffs to punitive damage seven (7) times the actual damages as herein stated in this Ninth Cause of Action.

TENTH CAUSE OF ACTION:

Intentional Infliction of Emotional Stress

98. Plaintiffs reallege and incorporate herein by reference paragraphs 1-97, as if fully set forth.

99. Plaintiffs allege that while they were in default on the total amount of the loan and despite the good faith efforts to make payments, ANZ and Does 1 to 5 threatened foreclosure as the only remedy when in fact it was not the proper action to take and forcing Plaintiffs to make payments beyond their ability, therefore causing great emotional distress, in particular to Jesus and Victoria.

100. The coercive actions of ANZ to Jesus and Victoria caused unjustified interference to Plaintiffs' tenants and subtenants.

1 101. ANZ's unjustified interference and bad faith conducts proximately caused mental,
2 emotional, and physical bodily stress and physical stroke to Jesus.

3 102. The physical stroke of Jesus resulted in his physical disability which further prevented
4 him from continuing to manage and operate Victoria Hotel.
5

6 103. The gross coercive conducts and bad faith actions of ANZ caused damages to Jesus by
7 disabling him to function normally in his business, and in his social relationship to
8 society.
9

10 104. The damages caused by ANZ are as follows:

11 a) The amount of the foreclosure judgment plus interest to date.

12 b) The total damages to Plaintiffs' business as a result of Jesus' physical disability.
13

14 c) The actual cost of medical expenses incurred as a result of Jesus' physical disability.
15

16 d) As a result of ANZ's gross intentional, negligent, and bad faith actions and conducts,
17 Plaintiffs are entitled to punitive damage in the amount of seven (7) times the actual
18 damages herein stated in this Tenth Cause of Action.
19

20 **WHEREFORE**, Plaintiffs pray from the First Cause of Action to the Ninth Cause of Action
21 as follows:
22

23 1. For each cause of action, actual damage, the amount of the foreclosure judgment plus
24 interest of nine (9%) to present.

25 2. For cause of action No. 7, treble damages under the RICO Statute which is three times
26 the amount of the foreclosure judgment plus interest to present.
27
28

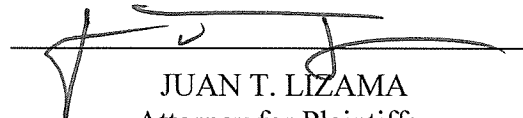
3. For each cause of action, the actual damages to Plaintiffs' business and other related damages to be proven at trial.
4. For each cause of action, the personal injury and damages resulting in Jesus' physical disability.
5. For each cause of action, punitive damages, seven (7) times the actual damages awarded to Plaintiffs, Jesus, Victoria and J & JEV, individually and collectively.

DEMAND FOR JURY TRIAL

Plaintiffs demand a trial by Jury.

Respectfully submitted by:

Date: 3-8-16


JUAN T. LIZAMA
Attorney for Plaintiffs

VERIFIED COMPLAINT

We, Jesus T. Lizama and Victoria L.G. Lizama, each individually and as authorized representative of J & JEV Enterprises declare under penalty of perjury that the allegations in the foregoing Verified Complaint are true and correct to the best of our knowledge.

Executed this 4~~th~~ day of March, 2016.



JESUS T. LIZAMA
Plaintiff

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Victoria L.G. Lizama

VICTORIA L.G. LIZAMA
Plaintiff

Victoria L.G. Lizama

J & JEV ENTERPRISES
(Through its Authorized Representative)
Plaintiff